

DEPARTMENT OF INDUSTRIAL RELATIONS

OFFICE OF THE DIRECTOR
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June 10, 2003

IMPORTANT NOTICE**TO AWARDING BODIES AND OTHER INTERESTED PARTIES CONCERNING THE
APPLICATION AND SCOPE OF COVERAGE DETERMINATIONS:**

**PW CASE NO. 2000-027
CUESTA COLLEGE
OFF-SITE FABRICATION OF SHEET METAL**

AND

**PW CASE NO. 2002-064
CITY OF SAN JOSE/SJSU JOINT LIBRARY PROJECT
OFF-SITE FABRICATION OF ELECTRICAL COMPONENTS**

This is to clarify the Department's enforcement policy regarding the public works coverage tests enunciated in the above-referenced precedential public works coverage determinations ("Determinations") on off-site fabrication, which were issued March 4, 2003, and are currently on administrative appeal.

In an April 10, 2003, Important Notice, the Department announced that the Determinations are limited to off-site fabrication of sheet metal and electrical components respectively, and that the minimum rate of pay for the work described in the Determinations is that of the Sheet Metal Worker and Inside Wireman, respectively, on the location of the construction site. In an April 16, 2003, Important Notice, the Department announced that the implementation of the public works coverage tests enunciated in the Determinations is stayed effective March 4, 2003.

It is the Department's policy that any enforcement of public works coverage for the off-site fabrication involved in the Determinations is stayed until after the resolution of the administrative appeals in the cases. Generally, implementation of any tests enunciated in the decisions on administrative appeal will not take place until on or after the date the decisions are posted as precedential public works determinations on the website of the Division of Labor Statistics and Research, http://www.dir.ca.gov/DLSR/statistics_research.html.

Applied specifically:

IMPORTANT NOTICE

June 10, 2003

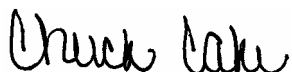
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- (1) For projects in which a public entity advertises the project for bid, enforcement will take place on projects advertised for bid on or after the date the decisions on administrative appeal are posted as precedential public works determinations on the website of the Division of Labor Statistics and Research, http://www.dir.ca.gov/DLSR/statistics_research.html.
- (2) For projects in which a public entity does not advertise the project for bid, but an agreement memorializing the terms of a project (including but not limited to a disposition and development agreement, owner participation agreement or ground lease) is entered into, enforcement will take place on projects in which the agreement memorializing the terms of the project is entered into on or after the date the decisions on administrative appeal are posted as precedential public works determinations on the website of the Division of Labor Statistics and Research, http://www.dir.ca.gov/DLSR/statistics_research.html.
- (3) For projects in which a public entity does not advertise the project for bid, but awards funds (for example, for affordable housing and infrastructure construction), enforcement will take place on projects for which the award of funds issues on or after the date the decisions on administrative appeal are posted as precedential public works determinations on the website of the Division of Labor Statistics and Research, http://www.dir.ca.gov/DLSR/statistics_research.html.

The above categories of projects are not exhaustive but are intended to provide additional information regarding prospective enforcement of prevailing wage obligations for the type of off-site fabrication involved in the Determinations.

NOTE: The Department *will*, however, continue to enforce prevailing wage obligations for off-site fabrication covered under the Department's public works coverage determinations or decisions on appeal made precedential prior to March 4, 2003.

Sincerely,



Chuck Cake
Acting Director